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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

AUG 20 2008

Application No. : 10/735,307
Applicant : Johnson
Filed : December 12, 2003
TC/AU : 3621
Examiner : Negron
Docket Number : 840468-605001
Customer No. : 41498
Re : Non-Intrusive Data Transmission Network for Use in an
Enterprise Facility and Method for Implementing

DECLARATION UNDER 37 CFR § 1.132

I, Steven G Johnson, declare and say:

That I am a citizen of the United States and reside at 804 Tree Haven Ct., Highland Village, Texas.

That I am currently employed by CADCO SURVEILLANCE NETWORKS, d.b.a. CAREVIEW COMMUNICATIONS, INC. (CareView), having a principal address at 5000 Legacy Dr, #470, Plano, Texas. I have been President of the Company for approximately 3 years with the primary responsibility for sales, marketing and forecasting for the CareView Surveillance System.

That I understand the CareView Surveillance System is a patient monitoring network appliance for dedicated operation on a coaxial distribution network. The CareView Surveillance System combines a video surveillance camera for capturing image frames of a surveillance area, a motion detector for detecting movement in the surveillance area, a local video memory for storing video image sequences based on receiving movement indications from the motion detector and other electronic components for receiving and transmitting information on the coaxial network at multiple carrier frequencies. The CareView Surveillance System transmits surveillance video sequences over the coaxial distribution network on one carrier and receives other types of information off the coaxial distribution network on a different carrier. The CareView Surveillance System allows facilities to use their existing coaxial distribution network for video surveillance, thereby freeing the bandwidth traffic on their twisted wire distribution networks for other types of traffic. The CareView Surveillance System allows facilities to efficiently manage the traffic of its coaxial distribution network by storing surveillance video sequences to the local memory for an indeterminate time period. The CareView Surveillance System allows facilities to create a permanent record of selected surveillance video events for subsequent access by the coaxial distribution network and without regard to the status of the coaxial network at the time proximate to the event.

That CareView projected realistic yearly sales goals and revenue goals for the years up to and including 2008. CareView received seed funding, investment capital and other startup funding based, at least partially on those projections. CareView negotiated supply and distribution contracts with manufacturers and others based, at least partially on those projections. CareView has engaged installers, technicians, operators and other skilled employees and independent contractors based, at least partially on those projections.

Declaration 37 CFR § 1.132

Attorney Docket No.: 840468-605001

That, until December 2007, the CareView Surveillance System was in ongoing research and product development. The CareView Surveillance System was not offered for sale until December 2007. Neither I, nor any other employee of CareView, initiated or participated in any traditional marketing campaign or promotion designed to promote the CareView Surveillance System. At no time did CareView advertise or promote the CareView Surveillance System in any traditional advertising media. To the best of my knowledge, all sales of the CareView Surveillance System were the result of word-of-mouth communications and/or knowledge of the research and product development initiatives pursued by CareView. CareView has no ongoing relationship with its clients outside of selling, servicing and managing the CareView Surveillance System. No sales of the CareView Surveillance System have been a result of a lawsuit or threat of lawsuit.

That between December 2007 and March 2008, CareView received contracts and or other commitments for the CareView Surveillance Systems that surpassed the sales forecast for the entire year of 2008.

The CareView Surveillance System currently enjoys an unrivaled competitive position in the market. I have no knowledge of any similar or competing device that operates on a coaxial network, and saves surveillance video sequences to a local memory based on motion being detected in the surveillance area, and which transmits surveillance video while receiving other types of information from the coaxial distribution network.

That I believe the overwhelming acceptance and success of the CareView Surveillance System is directly attributable to the advantages of the device and no other factor.

That the undersigned declares that all statements made herein of his own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under 18 U.S.C. §1001 and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

Date: 7/1/08
